Multi-State Borrower Benefit Worksheet

The following worksheet must be used on all refinance transactions, except for a refinance into a payment option loan. Additional information may be provided on supplemental sheets or on the reverse if the fields below are insufficient. The original of this form must be retained in the lender's loan file.

If Loan Amount of previous loan is unknown, you may substitute the Loan Payoff as long as it is clearly identified as such.

Loan Number:	Borrower Name(s):
Lender:	Property Address:

	Loan Information	
	New Loan	**Previous Loan**
Loan Date		
Loan Amount	$	$
Loan Term (months)		
Type Of Loan (Check one)	Fixed Interest Only Balloon Adjustable Rate	Fixed Interest Only Balloon Adjustable Rate Payment Option Product
Current Note Rate	%	%
(if ARM) Index and Margin and Date Initial Rate Expires		
Monthly Payment Amount	$	$
Cost of New Loan	$	N/A
Loan To Value		
Prepayment Penalty	Yes No	Yes No
If Yes, Prepayment Penalty duration and type (e.g., 3%, 3-2-1, 6 months advance interest on the amount prepaid in excess of 20% of the original principal amount, etc.)		
If Yes, amount of prepayment penalty	$	$
Debt to Income Level		N/A
Special Mortgage (e.g. Habitat for Humanity loan)	Yes No	Yes No

The borrower will receive the following described benefit(s) (one minimum) through a refinancing of an existing loan:

Product / Loan Terms Change

Second review required if loan is a refinance of a "Special Mortgage," i.e., Habitat for Humanity, state bond program, etc.

> Refinance to an improved product / loan terms such as:
>
> Refinance to lower interest rate * (Refinance to lower interest rate with the same or reduced term as the original loan)
>
> Converting from an ARM to a fixed rate
>
> Converting from a balloon loan to a loan without a balloon payment
>
> Extension of term to improve payment
>
> Refinance of an Interest Only or Payment Option ARM loan into a fully amortized mortgage that requires principal reduction with each payment
>
> Refinance of an ARM that is approaching the interest rate reset date into a new loan
>
> Reduce loan term
>
> Other:

> * **NO BENEFIT** if refinancing into an ARM with a fixed-rate term of less than 3 years or borrower will not recoup total cost within 4 years.

FINANCIAL IMPROVEMENT

Debt consolidation/reduced monthly payment* (Consolidating other high-rate loans and debts or multiple debts into a single low-rate loan, resulting in an overall monthly debt-service environment with a lower payment than the total of all monthly obligations being financed, taking into account points and fees)

Cure delinquent mortgage debts (Debts secured by the subject property that could result in the loss of the property. For example: tax liens, judgment, bankruptcies, foreclosure, etc)

Cure delinquent other debts (Debts secured by autos or other personal property, unsecured debts, etc)

Refinance to lower LTV (Ability to remove mortgage insurance by lowering loan-to-value)

* **NO BENEFIT** if refinancing into an ARM with a fixed-rate term of less than 3 years or borrower will not recoup total cost within 4 years.

CASH-OUT BENEFITS

The borrower will receive cash-out from the new loan to pay necessary expenses

Medical expenses Education expenses Home improvement

Other:

Cash out must be equal to or greater than 1½ times the amount of Total Closing Costs listed on the Good Faith Estimate plus the amount of the prepayment penalty on the old loan. Revalidate prior to loan closing with final Total Closing Costs on HUD-1.

TITLE TRANSFER BENEFITS

Payoff of a contract for deed or refinance of a lease option or removal or buyout of co-borrower from title with court order or evidence that the co-borrower no longer resides at the property.

CERTIFICATION:

Based on the loan information and benefits previously indicated, I certify that the proposed loan would result in a tangible benefit to the borrower(s) considering all of the circumstances reflected in the loan file, including the terms of both the new and refinanced loans (if any), the cost of the new loan, and the borrower's situation.

_____   _____
Signature   Date:

_____
Position

_____   _____
Second Reviewer Signature (if required)   Date:

_____
Title/Position